

The Baku to Belém Roadmap to 1.3T

Submission by SLOCAT Partnership on Sustainable, Low Carbon Transport

SLOCAT welcomes the opportunity to express its views and expectations on the development of the “Baku to Belém Roadmap to 1.3T” (“the Roadmap”) ahead of the planned virtual consultations in 2025, led by the Presidencies of the sixth and seventh Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).

The Roadmap is critical to scaling up climate finance to developing country Parties while identifying pathways to unlock trillions in climate finance through grants, concessional and non-debt-creating instruments. Securing the necessary financial resources, in turn, is paramount to supporting greenhouse gas (GHG) emission reductions and climate-resilient development pathways, as well as to implementing Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs) in key sectors of the economy.

Transport is the world’s fastest-growing source of CO₂ emissions, accounting for 21.9% of global emissions in 2023.¹ While transport receives around 29% of climate finance, it faces the largest investment gap of any sector². Studies project that clean transport solutions will cost an estimated \$2.7 trillion annually between now and 2050 – an amount that constitutes seven times the current spending on transport.³

In reality, the magnitude of the shortfall is likely to be much greater if the critical financing needs linked to workforce development are to be factored in. Moreover, most estimates exclude adaptation and resilience needs, focusing solely on emission reduction efforts. Accounting for the financial costs linked to climate-proofing transport infrastructure assets — alongside the financial costs of loss and damage from extreme weather events, like reconstructing rail infrastructure after flooding, will result in a substantially larger climate finance gap. Natural hazards inflict an estimated \$15 billion in direct damage to transport systems annually - with low- and middle-income countries (LMICs) bearing around \$8 billion, the highest costs relative to GDP.⁴

The investment gap is particularly pronounced in LMICs, where attracting international climate finance is hampered by macroeconomic and political instability, high interest rates, rising debt levels, and limited technical capacity to develop bankable projects. It is estimated that LMICs will require at least \$550 billion annually until 2050 but current investments are only \$15 billion, or only 2.7% of what is needed.⁵ As a result, substantial investment gaps in transport infrastructure are projected for 2040, amounting to an estimated \$0.8 trillion for Africa and \$1.6 trillion for Asia.⁶ Many of these countries’ transport systems are still under development, making this decade a critical window to avoid inefficient investments and future costly retrofitting.

¹ European Commission (2023), GHG Emissions of all World Countries, [EDGAR - The Emissions Database for Global Atmospheric Research](#)

² Climate Policy Initiative (2023), “Global Landscape of Climate Finance 2023”, [Global Landscape of Climate Finance 2023 - CPI](#)

³ Ibid

⁴ SLOCAT (2023), “Global Status Report on Transport, Climate and Sustainability - 3rd edition,” <https://tcc-gsr.com>

⁵ Climate Policy Initiative (2023), “Global Landscape of Climate Finance 2023”, [Global Landscape of Climate Finance 2023 - CPI](#)

⁶ Global Infrastructure Hub, “InfraTracker 2022,” <https://infratracker.gihub.org/>, and SLOCAT, “Global Status Report on Transport, Climate and Sustainability - 3rd edition,” <https://tcc-gsr.com/>

Overall Expectations, Topics and Thematic Issues That Should Inform the “Baku to Belém Roadmap to 1.3T”

The Roadmap will have a key role to play in bridging the climate finance gap for transport. Mobilising sufficient climate finance will be paramount in equipping developing countries with the resources to address mounting climate impacts and encouraging all countries to implement ambitious transport commitments aligned with the recommendations of the First Global Stocktake (GST) in the next round of NDCs, to be submitted in advance of COP30. In addition to ratcheting up available climate finance, safeguards will be needed to ensure it is channeled where it is needed most in the transport sector, in order to pave the way for low-carbon and climate-resilient development. To this end, we have the following four recommendations:

1. **Earmarking Climate Finance for Both Transport Mitigation and Adaptation.** Immediate, robust climate finance for both mitigation and adaptation is essential to ensure a clean, energy-efficient, resilient and equitable transport future in developing countries. The Roadmap will be instrumental in safeguarding the availability of climate finance, thereby securing the delivery of ambitious transport targets and actions in NDCs 3.0. The transport sector’s capital-intensive nature, coupled with its long infrastructural life cycles, means that any financing and investment decisions will have implications for the decades to come. By earmarking climate finance for transport, the Roadmap can provide stability and predictability for countries to address their long-term transport investment needs while avoiding stranded assets.
2. **Shaping the Eligibility Criteria Through Multi-Stakeholder Exchange, Including Sustainable Transport Experts.** By earmarking climate finance for transport, the Roadmap should recognise the value of multi-stakeholder exchange and learning for a just transition across all sectors, including transport, and take concrete decisions to enable it in a structured manner. Sustainable transport experts can play an important advisory role in shaping eligibility criteria and a consistent framework for sustainable, low-carbon transport within climate finance.
3. **Securing Robust and Transparent Accounting Mechanisms.** In mobilising climate finance for transport, it is essential to consider the complexities, compared to other sectors, associated with accounting for overall reductions and avoided emissions from sustainable transport modes and integrated, intermodal transport systems. Without robust and transparent accounting mechanisms for accounting emissions reductions from sustainable transport, there is a risk that cleaner transport modes will face unfair competition for the same pool of finance.
4. **Embedding Just Transition Principles in Climate Finance.** Crucially, the principles of just transition for workers must be embedded in the Roadmap, as well as in all climate finance-related negotiations and agreements. This should be achieved through consultation with workers and other key stakeholders as well as a linkage with the International Labour Organization (ILO) framework on just transition. The key challenges faced by workers across all transport modes and sub-sectors need to be addressed in dedicated just transition plans. These, in turn, are to be informed by and implemented through tripartite social dialogue mechanisms that address mitigation, adaptation and resilience issues.

Country Experiences, Best Practices and Lessons Learned Related to Barriers and Enabling Environments; Innovative Sources of Finance; Grants, Concessional and Non-Debt Creating Instruments, and Measures to Create Fiscal Space

[A Policy Guide to Improving Access to Climate Finance for Transport](#)

- Published in November 2024, this Policy Guide provides actionable guidance for project sponsors in LMICs to enhance their access to climate finance for transport projects. It outlines key solutions to barriers to accessing climate finance for transport in a variety of contexts: financial, institutional, informational and

technological.

- A step-by-step guide accompanies project sponsors through the process, directing them to resources, case studies and other guiding materials with a view to enabling them to successfully access climate finance for transport. The step-by-step guide is divided into four key steps: 1) securing the necessary enabling environment, 2) developing capacity on sustainable, low carbon transport, 3) developing capacity on climate finance, and 4) designing suitable and impactful projects.

SLOCAT Transport, Climate and Sustainability Global Status Report – 3rd Edition Chapter 5.1 Financing Sustainable Transport in Times of Limited Budgets

- This Chapter of SLOCAT's Global Status Report 3rd Edition (2023) underscores effective financing as crucial for the development of modern transport networks that facilitate economic growth, improve connectivity and enhance the quality of life for residents. The Chapter outlines public and private resources, strategic planning and careful allocation of funds as critical to ensuring the efficient operation and expansion of transport infrastructure and services.

SLOCAT NDCs Library: Get your NDC 3.0 ready!

- The SLOCAT NDCs Library is an ongoing compilation of guidelines and valuable resources by specialised transport actors aimed at supporting national governments in integrating sustainable transport measures and policies into their NDCs 3.0. The Library also contains SLOCAT's five recommendations to raise ambition for transport in NDCs, drawing on national case studies and best practices.

Annex

SLOCAT is the international, multi-stakeholder partnership powering systemic transformations and a just transition towards equitable, healthy, green and resilient transport and mobility systems for the people and the planet. We deliver on our mission through co-creation, co-leadership and co-delivery across knowledge, advocacy and dialogue activities at the intersection between transport, climate change and sustainability.

Our multi-sectoral Partnership engages a vibrant and inclusive ecosystem across transport associations, NGOs, academia, governments, multilateral organisations, philanthropy and business; as well as a large community of world-class experts and change-makers. Going where others do not or cannot go individually, our Partnership is leveraged to set ambitious global agendas and catalyse progressive thinking and solutions for the urgent transformation of transport and mobility systems worldwide.

Since 2016, SLOCAT has been the official Focal Point for the transport sector in the Marrakech Partnership for Global Climate Action and in that role facilitates the engagement of transport stakeholders.

Contact us

Philip Turner, Director, Global Advocacy, philip.turner@slocatpartnership.org



www.slocat.net



@slocatofficial